

Apple's Three Pillars of Marketing

Thinking differently like Apple,
to transform your business.

Rob Gemmell



FORWARD

Apple's marketing practices can work for small businesses too!

As Steve said, learn from the best. What follows isn't based on interviews with Apple execs or historical documents. Instead, it's based on my time working in-house at Apple, first as an industrial designer, then as the creative director leading Apple's corporate identity, packaging and event marketing teams.

While at Apple, I had the privilege of working and traveling with Steve Jobs. Many of the insights here are based on discussions with him about design, technology, art, music and of course marketing.

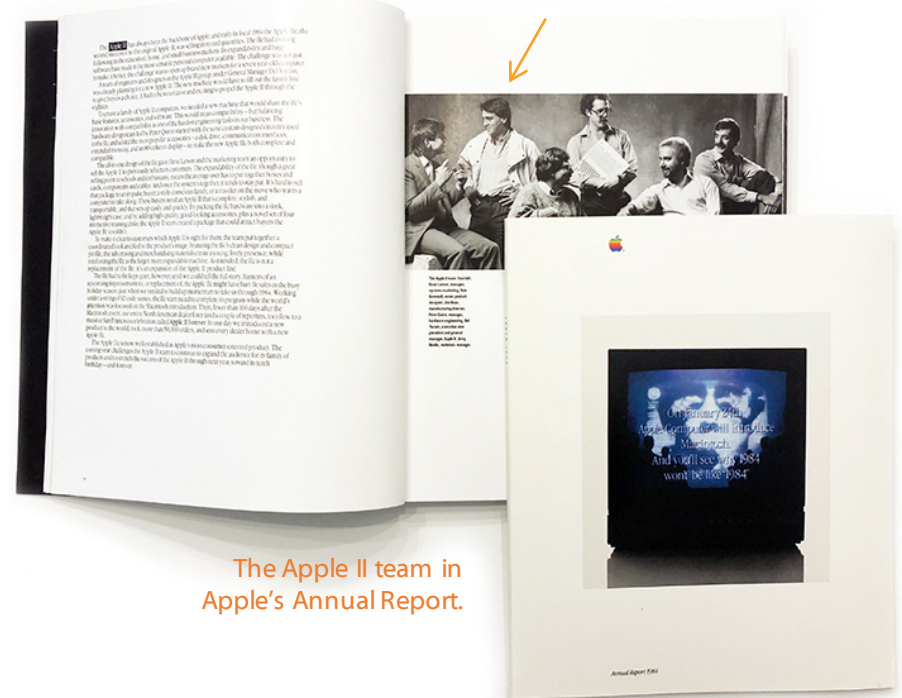
Fast-forward a few years and I'm a partner in a fast-growing consulting firm started by three friends and former Apple colleagues. Apple just happened to be one of our biggest clients, even bigger after Steve Jobs' famous return.

Now, several decades later, I see the same practices and principles at work in Apple that first molded Steve's vision in his teens and twenties. They're in all of the work presented in this eBook too. I hope you enjoy it and find it transformative in some way!

—Rob Gemmell



The author



The Apple II team in Apple's Annual Report.

FORWARD

Here's to the crazy ones.
The misfits.
The rebels.
The troublemakers.
The round pegs in the square holes.

The ones who see things differently.

They're not fond of rules.
And they have no respect for the status quo.

You can praise them, disagree with them, quote them,
disbelieve them, glorify or vilify them.
About the only thing you can't do is ignore them.

Because they change things.

Inspiration for fellow entrepreneurs from
Apple's "Think Different" ad campaign.

They invent. They imagine. They heal.
They explore. They create. They inspire.
They push the human race forward.

Maybe they have to be crazy.
How else can you stare at an empty canvas and
see a work of art? Or sit in silence and hear a song
that's never been written? Or gaze at a red planet and see
a laboratory on wheels?

We make tools for these kinds of people.
While some see them as the crazy ones,
we see genius.

Because the people who are crazy enough to think
they can change the world, are the ones who do.



Think different.

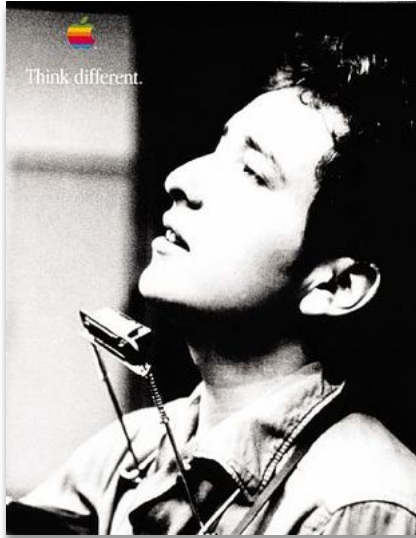
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Introduced by Steve Job's, just months after his return to Apple
as interim CEO in 1997.

ROOTS | Cultural heroes



Steve Wozniak and Steve Jobs pretending to work on the Apple II.



Steve Job's favorite poet-musician, Bob Dylan in an Apple ad.

The Beatles *White Album* from Apple Records. See any familiar ideas?



Apple's marketing and design came from many unlikely sources.

To really understand Apple's unique marketing you need to know a bit about its history. Since his teens, Steve Jobs looked to remarkable people for inspiration to inform how he lived, made choices and focused his energy. The key influencers of the Apple ethic fell into two baskets.

The first are cultural icons including musicians, poets, scientists, entrepreneurs and designers. **Among Steve's favorite artists** were Bob Dylan, for the rich and raw feelings expressed in his words and music, as well as the Beatles. He loved John Lennon's uncompromising idealism and his belief that music could be a platform for change.

The second are professionals he hired at Apple and hung around with after hours whenever he could.

ROOTS | Business thinking

In spite of its hippie leanings, Apple was also inspired by sophisticated marketers.

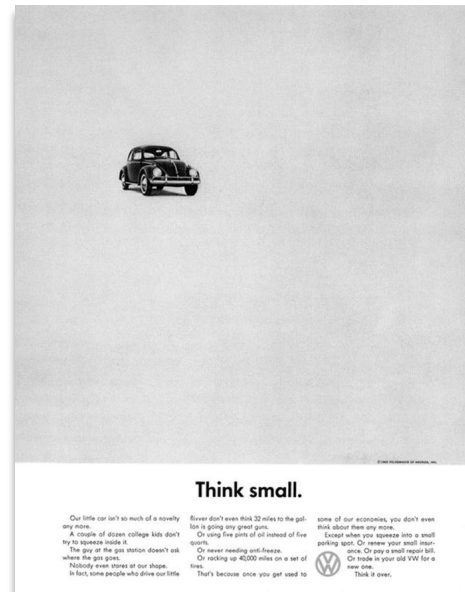
Influential cultural references included at one extreme its despised competitor IBM – which represented everything that Apple was not – and at the other end VW, a much better cultural fit.

In the 60's, IBM launched a campaign based on placards and ads calling on staff and customers to "Think". During the same period VW challenged the conventional idea "bigger is better" with ads like "Think small".

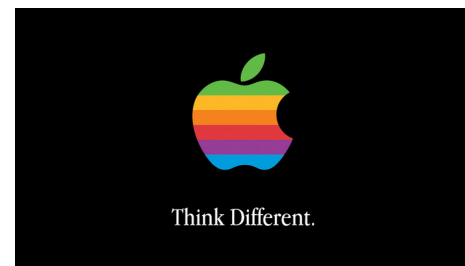
Not long after Steve Jobs return to Apple in 1997 he honored this theme while working with TBWA\CHIAT\DAY and launched the "Think Different" campaign. It revitalized the Apple brand, memorably challenged consumers to reconsider Apple products, and reinvigorated the Apple faithful, who had come to believe that Apple had lost its way.



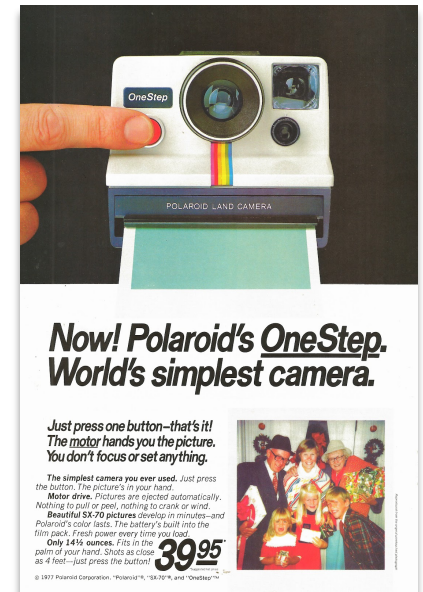
IBM's famous call to action.



VW's ultra-simple and iconic ads made a lasting impression on Steve.



As Picasso reputedly said, "Good artists copy; great artists steal."



Edwin Land, the scientist-entrepreneur who founded and ran Polaroid, was one of Steve's idols for both his technological and his marketing brilliance.

PHILOSOPHY | Three Pillars of Marketing



Apple's marketing platform has always stood on 3 simple pillars.

Apple likes things in threes. They're simple and easy to remember.

In 1977 Apple's first investor and CEO, Mike Markkula, wrote "The Apple Marketing Philosophy", which was based on 3 key ideas, or pillars:

"Empathy: We will truly understand their needs better than any other company.

Focus: In order to do a good job of those things that we decide to do, we must eliminate all of the unimportant opportunities.

Impute: People DO judge a book by its cover. We may have the best product, the highest quality, the most useful software etc.; if we present them in a slipshod manner, they will be perceived as slipshod; if we present them in a creative, professional manner, we will impute the desired qualities."

Today, Mike's philosophy still drives marketing thinking at Apple, though it's evolved to a higher level as the company's talent and capabilities have improved:

The new pillars of marketing, as I see them:

1. Create loved products & experiences
2. Keep it simple
3. Be iconic

1.1 | LOVE THE EXPERIENCE | Make it remarkable



Apple Stores have set new standards for merchandise display and revenue.



They've also set new levels for customer experience and loyalty.

Feelings are more memorable than facts.
So, how do you want to be remembered?

Regarding services and products, the unfortunate truth is that most of the things we do for our clients and customers are not remarkable when compared to what our competitors deliver. To your consumer, these things are expected and viewed as the price of entry.

Happy, loyal, and supportive customers and clients are the ones whose expectations have been exceeded. Apple has mastered the practice of owning the entire experience wrapped around a product or service, ensuring that their customers will have a good experience throughout. But as a small business, controlling the entire experience and exceeding expectations will usually increase your costs too high.

What can you do with a small upfront investment that will greatly improve the customer experience? Before Apple figured out how to make most products “just work” when they were turned on, they provided “Open me first” packages with software and simple instructions that took the hassle out of the setup and synchronization process.



Apple's innovative
Open me first kit.

1.2 | LOVE THE EXPERIENCE | Get constant feedback

Track your consumer sentiment like a heat-seeking missile.

If you know how your audiences felt at every moment, you'd have the insight to achieve remarkable satisfaction levels, right?

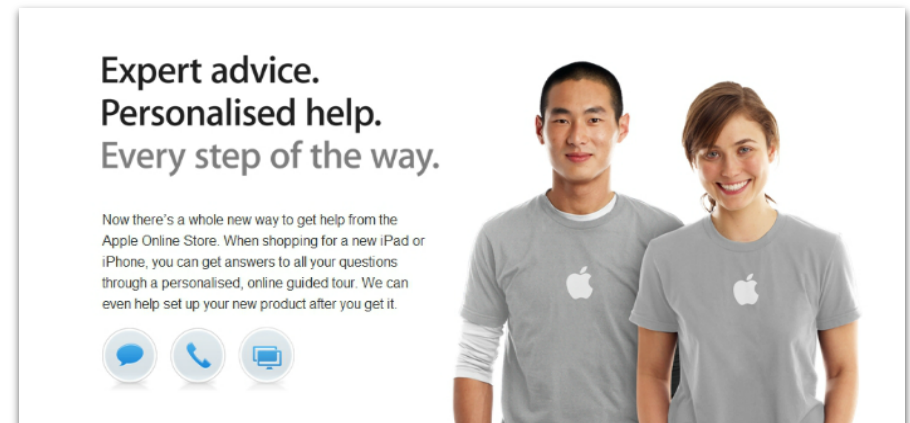
One thing that always impressed me about Steve Jobs was his rejection of formal marketing research on one hand, and on the other hand his ceaseless pursuit of feedback on new products and services. He was even known to skim Apple's customer service emails for issues that ordinary users were experiencing.

I don't know how many CEO's do this, but I think we all know what happens when the management of a business becomes too removed from its customer base or worse – creates the impression that they don't care.

The staff working at the Apple Store know they're the face of Apple to most people. They're trained to be empathetic, solution-oriented brand ambassadors. Most importantly, they're conduits to Apple management for opportunities in improvement and innovation.



People aren't perfect and neither is technology, but people can be trained to provide technical support like empathetic geniuses.



Between face-to-face interaction with store customers as well as audio and digital media, Apple collects massive amounts of feedback and insights on how to improve.

1.3 | LOVE THE EXPERIENCE | Finish with appreciation



When was the last time you were praised as a customer or client?
How did it make you feel?

The first and the last impressions are the most indelible, and the last one trumps the first!

Can you think of anyone who doesn't brighten when being appreciated, or just heard? Even when circumstances suck?

It's hard to honestly agree that "the customer is always right" because let's face it – they're often wrong – but such moments are opportunities to transform a disappointing, average or good experience into a much higher level one with some reflected appreciation.

What do you think when an employee says "Thank you" even after you've given critical, and perhaps overly passionate feedback?

Whatever the outcome from a transaction is, the expression of appreciation is your opening to build a lasting relationship with a client or customer. And remember – maintaining a relationship is nearly always less expensive than fishing for and establishing a new one.

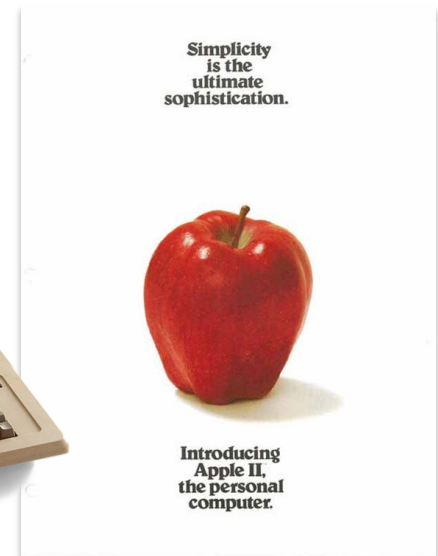
2.1 | MAKE IT SIMPLE | Start with a cure

Begin with a valuable service or product that really sucks.

Pay attention: People at Apple spend a lot of time playing with, dissecting and talking about what they like and don't like about services, products and pretty much every aspect of their lives. The best ideas don't come from lofty places. They come from paying attention to the little things that bother us every day.

Revealing questions: What essential thing do you and your competitors do daily that you know can be improved or simplified? What aspects of it are the result of old thinking, traditions or habit? How many different ways can it be upgraded? Most important, will the end result delight your customers?

Rather than adding more services and products like most businesses do, Apple continually looks for opportunities to eliminate them, simplify them and integrate them. It's always about reducing the effort of performing a task, solving a problem, or accomplishing a goal.



Until the Apple II, small computers weren't simple at all. They had to be cobbled together with parts and software from multiple sources.



The McDonald's brothers famously eliminated dishware and all typical drive-in menu items except burgers, fries and shakes in their innovative restaurant.

2.2 | MAKE IT SIMPLE | Know who craves it

Who values a better service or product highly enough to act?

Who needs or craves the service or product?

Often business owners think about their clients or customers as an anonymous group – or possibly a handful of groups. But further study of one's customer base will make it possible to segment them into baskets. Which ones are easily satisfied? Which are the most profitable? Which ones send their friends and family to you?

Also, which ones are the hardest to please, and drain your precious energy?

Apple ignores laggards* and focuses instead on the most forward-thinking consumers. These are the people who will justify adopting a new solution, find a way to afford it, and accept its early faults while Apple iterates improvements. It starts with a niche market, but one that has the potential to grow big.

To Apple, why should it waste time and energy on anything else?

*Ironically, Apple has supported special needs users since its beginning yet very rarely mentions this in their marketing.



What's more American than owning your own tools like Benjamin Franklin?



Apple is clearly targeting the rest of us with its first new product after Steve returned to Apple.

2.3 | MAKE IT SIMPLE | What's your unique cure?



The bad: Apple partnered with Motorola on the ROKR smart phone. Steve's disappointment in it inspired what is now the iPhone.

What remarkable solution can you deliver consistently every day?

No half-assed ideas. Even through Steve Jobs' mature years he didn't like short cuts or incomplete solutions half-baked solutions. As a result, Apple is very careful to introduce only services and products that they can do better than the competition. While they're rarely the *first* to do something, they usually do it much better from the consumer's perspective. And they really don't care what detractors say.



The good: Apple evolved its basic iTunes app into a full blown media library and management platform that became the game-changing, one-stop-shop, for finding, sampling, managing, playing, sharing, and downloading audio, video and app files.

The key *quality* question: Does a new approach or technology work with our range of expertise, or will it, in the very near future? Can it be delivered with perfection everyday? Apple isn't afraid to set the bar impossibly high. Even they have been surprised by some of their achievements.

The key *business* question: Can it be developed and delivered with a nice profit margin, and one that increases over time so it can be done right?

A healthy policy for small business owners is to make perfection your goal for the core things you do, while eliminating or investing in improving the others rather than lowering standards for them.

3.1 | BE ICONIC | Feel the pain *they* feel

Empathize with your audience. Tap into that well of basic human needs.

Steve Jobs didn't have a technical education. Much of his genius is a due to his lack of engineering knowledge. He dreamed of products and services that elevated ordinary people to higher levels, and elevated talented people to insanely great achievements. It was his lack of traditional engineering knowledge that allowed him to stay empathetic. As a result he understood, and deeply felt, the love and hate relationship that we all have with technology, especially when we want to do something that should be so simple.

Steve, and the rest of Apple, have known for a long time that a simple idea – like developing empathetic products for frustrated ordinary people – can be a lifelong calling. This calling has the potential to drive the world's largest business.

Even the smallest businesses are driven by a desire to make their customers happy. The trick for them, and Apple too, is keeping the hundreds of behind-the-scenes tasks invisible to the consumer. That way, the customer's lasting impression is based on the result they got, what was memorable or iconic about it, and the feeling it created.



When the iPhone was announced Steve noted that so-called “smart phones” really weren’t very smart, or easy to use.



He iconically introduced the iPhone as a product for your pocket that seamlessly integrated your most valuable mobile tools.

3.2 | BE ICONIC | Make it more relevant



“It’s 1,000 songs in your pocket.”

—Steve Jobs

“Symbolize” an ideal solution for your target audience.

Think about electric cars, digitally animated movies, coffee shops, and quick haircuts.

For most of us the same brands come to mind, as well as the same images, colors, voice, etc. They’ve become iconic, meaning that they’re more than a brand; they typically represent the best in a category or niche. That’s our goal!

You might be a solo entrepreneur operating in a small town with just a few competitors. Among them, one holds the iconic position as the default choice for most residents. That business is most likely to have the best clients or customers as well as the most profitable ones, and they can do the least amount of marketing to attract and keep them.

To the target audience, the optimal solution to a problem is a game-changer. What are you offering that changes the game?

At Apple, we would ask, “what about this service, or product, memorably symbolizes the core benefit of it?”

You can do this by creating a very short description of it that’s concrete and appeals to human needs and emotions. Avoid intellectual and abstract language. A great example is 7-11, whose namesake came from the hours they were open, 7am to 11pm.

3.3 | BE ICONIC | Triangulate on your audience

Extend the iconic campaign through multiple marketing and sales channels to introduce and educate

Even experienced marketers, in businesses large and small, fall into the trap of saying “yes” to too many marketing opportunities. The result: Too many projects, programs, people and channels to manage well, or more importantly get a good ROI from.

Smart marketers like Apple focus on just a few that resonate with their audiences, allowing them to present in iconic style, and tell different parts of their story.

An SMB that thinks like Apple will give a lot of thought to where their audience is easiest to find. It might be at events, in the car, or online at special interest or social media sites *etc.* Then they focus on just a few mediums that their target audience members are most likely to encounter in the span of a week or two.

Multiple mediums and multiple exposures yield the best results. Studies have shown that an ordinary person needs to see an ad six or more times before it will register with them. People seeing a campaign in multiple mediums – such as online, email and at a local events – are 20-30% more likely to act on it.

Today, Apple primarily triangulates through TV ads, metro area billboards, Apple Stores and word of mouth via satisfied customers.

Apple's iconic iPod campaign used TV, outdoor and in-store promotion to reinforce its “everywhere” usage.



NEXT | It's your turn

Now, let's focus on you!

Apply the three pillars to your business:

1. **Create loved experiences.** Press the reset button and revisit what will make you, your colleagues, and the people you serve love the experience they have with your business and want to come back.
2. **Simplify what you're doing.** Eliminate everything that doesn't move you closer to your goals.
3. **Be iconic.** Identify what's unique about you, what you're doing, and how it solves a big problem for your clients or customers.

To learn more about how to put Apple's three pillars to work for you, visit: www.Addwater.com/ApplePillars

Or call **415 418 7330**



Addwater teaches small businesses
and startups how to attract and keep
great clients or customers the way
Apple does.

NEXT | Don't do it alone

Things are easier, and done better,
when you have help!

If you're entrepreneurial, you're biased toward figuring things out yourself, and doing them yourself. You likely justify this by thinking that you're saving time and money.

Realistically though, doing all the *thinking* and *doing* yourself will take longer and cost more as you learn things the hard way and make mistakes along the way.

Addwater is here to help you accelerate your learning while reducing the uncertainty and risk of going it alone.

Speaking metaphorically, we can teach you how to fish, or help you fish better – by following Apple's three marketing pillars.



We've worked with the big city brands like Apple, McDonald's, Wells Fargo and American Express Financial Advisors.

We've worked with over 130 small businesses in retail, tourism, hospitality, dental care, construction, real estate, high tech and professional services.

We don't just help businesses move to the next level, we help them skip a ladder rung or two at the same time.

Think different!

Addwater, to make it rain!

—Rob Gemmell

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